

Community Development Commission

December 5, 2005

To: Louisa Ollague, Deputy, First District
Jason Seward, Deputy, Second District
Wendy Aron, Deputy, Third District
Nick Ippolito, Deputy, Fourth District
Ressie Roman, Deputy, Fifth District

From: Carlos Jackson, Executive Director

SUBJECT: \$20 MILLION EMERGENCY SHELTER FUND

On November 22, 2005, the Board of Supervisors approved the transfer of \$20 million in Emergency Housing/Shelter Funds to the appropriate budgetary and program agencies. This action sets in motion the Emergency Shelter Fund Program as described in my memorandum to you dated November 2, 2005.

Here is the updated timeframe for implementation. As you know, it is a fast track process for the allocation of the funds and will require your time and cooperation in order to complete in a timely manner. We anticipate meeting individually with you over the next two weeks to identify specific projects and to discuss implementation of the program.

1. OPTION II - DISCRETIONARY PROPOSAL SELECTION TIMELINE (UPDATED)

BOS Approval of Funds Transfer	November 22, 2005
CDC/Board Offices Selection Process (Review Committee Meetings)	December 5- January 31, 2006
Proposal Recommendations	February 1, 2006
BOS Approval	February 13, 2006*
Contracting Process Complete	March 15, 2006

*Development/Expansion proposals may require additional time due to environmental review time.

2. Additional Projects

Attached for your information is a potential list of emergency shelter, transitional housing and permanent housing projects for consideration. Additional proposals that you each identify may be added to this list. Please provide the type of information we have included in the attachment.

3. Pre-Qualification Application

Also included in the plan were criteria to evaluate and select proposals. We are currently working with LAHSA to complete this package and it will be provided to you next week.

NEXT STEPS

In order to meet this timeline, it will be necessary to have communication with each Board office as we move through this process. To begin the project screening and identification process we have identified crucial steps that need to be taken:

1. Set up an initial project selection meeting with each individual Board office and LAHSA, beginning the week of December 5th. At this time, we will review the attached list of possible projects along with any additional projects you select and add to the list. Most crucial to the success of this process is to make decisions about location and the populations to be served. Once we have agreed we can determine who should be invited to submit the pre-qualification application.
2. Following this, a second meeting with you, appropriate County departments and LAHSA will be scheduled to discuss levels of additional service and/or operating funds needed.
3. After agreement is reached on a specific project(s), the selected proposers will be invited to submit a pre-qualification application package.
4. Regularly scheduled review meetings may be needed to complete this process on time.

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This expedited process is still subject to time delays and must be considered as an estimated timeline at this point.

If you have any questions or comments, please call Syed Rushdy, Director of Housing Development and Preservation Division at (323) 890-7230 or Bill Huang, Manager at (323) 890-7270.

CJ:sm

Attachment

c: Lari Sheehan, Assistant Administrative Officer
Mitchell Netburn, Executive Director, LAHSA

Potential Emergency Shelter Beds

12.1.05

As you requested, following is a list of projects for consideration for capital and operating and services expenditures that will result in bringing new emergency shelter beds (and some transitional housing beds) on-line. At the conclusion are four other proposals that we believe are compelling for both enhancement and coordination reasons. The attached table also provides this information by Supervisorial District.

Covenant House California, Supervisorial District 3

1325 No. Western, Hollywood 90027

During the past two years, Covenant House has entered an agreement with LAHSA to operate 10 emergency shelter beds during the winter months that are otherwise unfunded. An annual budget for this service-enhanced emergency shelter program is \$236,400, however, CHC has already raised \$86,400. Consequently, the annual funding needed is \$150,000. These are not the same beds as Covenant House applied for in their ILP application. A funding award from the State's Emergency Housing Assistance Program (EHAP) for rehabilitation has resulted in an increase in the capacity of this program. Furthermore, a modified Conditional Use Permit (CUP) for the expansion has been approved by the City of Los Angeles.

Henderson Community Center, Supervisorial District 2

911 E. 25th Street, Los Angeles 90011

Henderson Community Center does not have funding for 34 of their emergency shelter family beds for women with children. Again, this program is currently funded under the LAHSA winter shelter program. The annual cost of the program is \$223,380.

MJB Recovery, Supervisorial District 2

1725 W. Vernon Avenue, Los Angeles 90062

This 40-bed shelter is under contract for the Winter Shelter program and the operator is interested in continuing its operation year-round. The costs would likely be somewhat higher than the \$18.00 a night per-diem which equates to \$262,800 annually.

New Directions, Supervisorial District 3

11303 Wilshire Blvd., Building 257, Los Angeles 90073

This 43-bed **transitional housing** program located on the U.S. Veterans Administration property in Westwood serves veterans with a dual-diagnosis of mental illness and substance abuse. It is funded through an array of public sources including AB 2034 funding,

Proposition 36, a VA grant, and a SAMSA grant. The three-year federal SAMSA grant of \$1.5 million, \$500,000 annually, expires on June 30, 2006 thereby putting at risk at least half of the beds. On a positive note, the Fire Official has approved the conversion of a group room into a bedroom thereby adding six additional beds, bringing the program capacity to 49 beds. The total annual program need is for \$500,000 that will allow the program to continue to operate as well as provide services to an additional six veterans.

New Image Men & Women's Shelter, Supervisorial District 2
3804 Broadway Place, Los Angeles 90037

This 400 plus bed dormitory-style year-round shelter site is for sale at an asking price of about \$5 million. There is also a significant need for rehabilitation of the site. This is the largest year-round free emergency shelter in the County and is at-risk of loss should a private sale occur.

New Image Women's Shelter, Supervisorial District 2
3818 So. Broadway, Los Angeles 90037

This site, less than one-quarter mile from the above-noted shelter, will be operated for the first time ever as a 200-bed dormitory-style shelter during the winter months under contract with LAHSA. Some rehabilitation is also needed. The operating cost is about \$18 a day for an annual cost of about \$1.3 million.

SRO Housing, Inc., Downtown Los Angeles, Supervisorial District 1
Panama Hotel, 403 E. 5th Street, Los Angeles 90013

During the 2005-06 Winter Shelter Program period, SRO Housing is contracting with LAHSA for 35 emergency shelter beds in single room settings. They also have an additional 20 beds that they could make available for a total of 55 year-round beds at an annual cost of \$361,350.

The Salvation Army, Bell, Supervisorial District 1
5600 Rickenbacker Road, Bell 90201

The Salvation Army recently added 140 emergency shelter beds to their Bell campus that could be made available for year-round emergency shelter. The program has just been approved for the winter shelter program at a cost of \$18 nightly. The program could be expanded year-round with the approval of the Supervisor and the cities of Bell, Bell Gardens, and Commerce. The annual cost of the program is \$817,142.

Union Rescue Mission/EIMAGO, North of Sylmar, Supervisorial District 5

EIMAGO is the secular nonprofit arm of the Union Rescue Mission that has just closed escrow on a 71-acre property in the unincorporated foothill community above Sylmar. A conditional use permit has been submitted for the family housing program, *Hope Gardens Family Center*. This is an 80 family **transitional** housing program of 12 to 24 months in stay, not an emergency shelter program. The estimated costs of acquisition, rehabilitation, site development and endowment expenses are \$18 million of which the sponsor is hoping to secure \$3 to \$5 million from the County of Los Angeles. Given the community concerns about this project, it appears that the Conditional Use Permit approval process may take six to nine months and the project could be operational by September 2006.

**Union Rescue Mission/EIMAGO, Downtown Los Angeles, Supervisorial District 2
545 S. San Pedro, Los Angeles 90013**

This program has approximately 80 to 120 unfunded emergency shelter beds available dormitory-style for single men and women at a cost of \$18 a night, or between \$525,600 and \$788,400 annually.

**Volunteers of America, San Pedro Naval Base, Supervisorial District 4
Taper Property, San Pedro**

This is a **transitional** housing program for homeless families. While the property has been approved for conveyance to Volunteers of America, it has yet to be conveyed to the Volunteers of America. The early estimated rehabilitation costs for the 76 family units are about \$100,000 per unit, for a total cost of \$7.6 million. Additionally, the sponsor does not yet have operational/services funding for this development.

Volunteers of America/Transition House, Downtown Los Angeles, Supervisorial District 2

543 S. Crocker Street, Los Angeles 90013

Skid Row Development Corporation has operated Transition House in downtown Los Angeles for more than two decades; however, the program is the process of being transferred to the Volunteers of America. Currently, only about 40 of the 140 beds are in service. Volunteers of America has provided us with a 3.5 month budget of \$195,590, therefore an annual budget would be about \$670,594.

**Weingart Center, Downtown Los Angeles, Supervisorial District 2
566 S. San Pedro Street, Los Angeles 90013**

The Weingart Center in downtown Los Angeles has between 100 and 150 vacant beds that could be used for emergency shelter purposes. Previously occupied by the California Department of Corrections, the Department has moved the parolee program to another site. The cost for this supportive services model emergency shelter would be about \$1,000 per bed per month or equivalent to between \$1.2 and \$1.5 million annually.

Other Essential Emergency Shelter Projects Needed to Enhance Services and Assure Coordination

Medical Services, Countywide

During the 2003-2004 and the 2004-2005 winter shelter program, JWCH Institute, Inc. was contracted by LAHSA to operate mobile medical services providing basic medical services and referrals in the winter shelters. The private funding has been exhausted and no new funding has been identified. JCWH owns the medical van and could operate the program for a three and a half month period from December 1, 2005 to March 15, 2006 for \$142,580. They are also available to operate the program year-round if sufficient funding can be identified at a pro-rated cost of about \$488,850. We anticipate that more than 1,600 people could be served.

Move-In Assistance, Countywide

In the *Emergency Shelter Redesign Study*, Shelter Partnership found that at least 25 percent of the individuals could leave the year-round emergency and winter shelter program much quicker if a rental assistance grant were provided. This is especially true of individuals with a source of income, such as the disabled and elderly. We would propose that a grant up to \$1,500 be provided to individuals who have saved at least \$500 for their moving expenses for first, last and security deposits and essential furniture. It should be noted that other programs, such as the Los Angeles Emergency Rental Assistance Program and the HOPWA programs do not require any client contribution. If 300 clients were served, the cost would be \$450,000 annually.

Safe Havens, Two Developments, Sites Not Yet Identified

In the Community Services and Supports Plan of the Mental Health Services Act, the County Department of Mental Health included \$1.6 million in operational and supportive services funding for two Safe Havens in the County of Los Angeles. These programs are small-scale serving persons who are chronically homeless, often with a dual-diagnosis of mental illness and substance addiction. On November 15th, the Board of Supervisors approved the solicitation of a Request for Statement of Qualifications Process (RFSQ) for this purpose. It would be advantageous to make capital funding available. (Note: The RFSQ requires that applicants have site control.) We estimate that \$4 million should be set-aside for this purpose and anticipate that 50 to 60 individuals would be served at any given time by these programs.

Year-Round Shelters, Citywide

Through LAHSA, the City of Los Angeles funds 760 emergency shelter beds year-round. There is a funding gap of \$1,752,125 from March 15 through June 30, 2006.

EMERGENCY SHELTER AND TRANSITIONAL HOUSING BED EXPANSION PROJECTS

Supervisory District	Agency Name	Number of Additional Beds/Units/ Clients Served	Population to be Served	Capital Funding Needed	Operations Funding Needed (Annually)*
1	SRO Housing	55 beds	Single men and women		\$361, 350
1	The Salvation Army	140 beds	Single men and women		\$817,142
Subtotal for SD 1					\$1,178,492
2	Henderson Community Center	34 beds	Women with children		\$223, 380
2	New Image	(400+) beds	Single men and women	\$5 million +	
2	MJB Recovery	40 beds	Women w/children		\$262,800
2	New Image	200 beds	Single women		\$1.3 million
2	Union Rescue Mission/EIMAGO	80-120 beds	Single men and women		\$525,600-\$788,400
2	Volunteers of America	100 beds	Single men and women		\$670, 594
2	Weingart Center	100-150 beds	Single men and women		\$1.2 - \$1.5 million
Subtotal for SD 2				\$5 million +	About \$4.5 million

EMERGENCY SHELTER AND TRANSITIONAL HOUSING BED EXPANSION PROJECTS

Supervisory District	Agency Name	Number of Additional Beds/Units/ Clients Served	Population to be Served	Capital Funding Needed	Operations Funding Needed (Annually)*
3	New Directions	49 beds (43 preserved, 6 new)	Veterans w/dual diagnosis		\$500,000
3	Covenant House California	10 beds	Youth		\$150,000
Subtotal for SD 3					\$650,000
4	Volunteers of America	76 units, 230 clients	Families	\$7.6 million	
Subtotal for SD 4				\$7.6 million	
5	Union Rescue Mission/EIMAGO	80 units, 270-300 clients	Families	\$3 - \$5 million	
Subtotal for SD 5				Up to \$5 million	

EMERGENCY SHELTER AND TRANSITIONAL HOUSING BED EXPANSION PROJECTS

Supervisory District	Agency Name	Number of Additional Beds/Units/ Clients Served	Population to be Served	Capital Funding Needed	Operations Funding Needed (Annually)*
All	JWCH Institute	1,626 patients annually	All populations		\$488,850
All	Rental Assistance	300 clients	Single men and women		\$450,000
All	Year Round City Shelters	760 clients	Single men, single women, families		\$1.7 million
Unknown	Safe Havens	50 - 60 clients	Single men and women w/mental illness	\$4 million	
TOTALS				About \$21.6 million	About \$8.7 million

*Operating costs include services.